DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY

// Action Date:

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DEPARTMENTAL PERSONNEL MANUAL SYSTEM

DPM BULLETIN NO. 890- 14

DATE: OCT 2 2 1990

SUBJECT: Effective Date of an Employee's Cancellation of His/ Her Federal Employees Health Benefits (FEHB)

When an employee cancels his or her FEHB enrollment, the effective date is the <u>last day</u> of the pay period in which the employing office receives the SF-2809, Health Benefits Registration Form. Please remind your operating personnel office staff members of this fact because incorrect instructions are presently on the SF-2809 and in Federal Personnel Manual (FPM) Supplement 890-1, Subchapter 9-la.

In December 1989, the Office of Personnel Management (OPM) published new regulations in the Code of Federal Regulations (CFR) on temporary continuation of health benefits coverage. At the same time a revision to existing regulation, on the effective date of an FEHB cancellation, went largely unnoticed. The revision made the cancellation effective at the end of the pay period in which the SF-2809 was received. Before December 1989, an employee's cancellation of his or her FEHB enrollment became effective at the end of the pay period after the one in which the employing office received an SF-2809 from the employee.

According to OPM, agencies are not required to amend the effective dates of past cancellation SF-2809's that have been processed incorrectly since January 1, 1990 (the effective date of the revised regulation). Instead, every effort should be made to process future actions correctly. As a part of your actions to insure that this happens, please bring this DPM Bulletin to the attention of your processing staff members.

Filing Instructions: File after FPM Chapter 890 Bulletin

Bulletin Expires: Upon Notification

Distribution: All FPM Subscribers; Personnel Council Members;

Insurance Officers

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In addition, we suggest that you "pen-and-ink" the correct instructions for canceling an FEHB enrollment in subchapter nine of FPM Supplement 890-1 and place a note with your supply of SF-2809's reminding staff members that the cancellation instructions on the back of the form are incorrect.

If there are any questions about this matter, contact Terry Smith of the Labor and Employee Relations Division (M-17). Terry can be reached on FTS 366-9440 or (202) 366-9440.

Diana L. Zeidel